PART XXVI.—CONTRACTS.

1. There is no reason why the work of cutting in the Government forests should not be done by contract; it is a ruinously destructive plan to turn a wood contractor loose into a forest and allow him to cut *ad libitum*. The system of cutting by license should be strictly prohibited throughout the Presidency. (G. Rs. Nos. 4079, dated 22nd September 1869, and 5441, dated 7th November 1870.)

2. The system under which contractors have been permitted to fell trees without supervision or restriction, paying only for logs actually removed from the forests, is faulty, and the grant of contracts under this system should cease. Government would remind Forest Officers that the selection of trees for the axe forms one of the most important portions of their duties. (G. R. No. 5919, dated 24th November 1871.)

3. Large contracts should not be entered into except with the approval of the Conservator, who should, if necessary, obtain legal opinion as to the terms in which the contracts ought to be drawn up. (G. R. No. 1230, dated 10th March 1874.)

4. The following circular No. 1151, dated 6th May 1874, issued by the Conservator of Forests, N. D., as regards the procedure to be observed by District Forest Officers in the matter of entering into contracts, was approved by Government:—

Circular.

"The Conservator of Forests, N. D., has to direct attention to the repeated orders of Government that contracts are not to be entered into except with the approval of the Conservator.

The following procedure in reference to contracts must invariably be observed:

I.—The form of agreement is, in the first place, to be drawn upon unstamped paper in the District Forest Office, showing rates and every other detail in respect to the contract; it is then to be submitted to the Conservator for approval.

II.—The Conservator will, if necessary, revise the terms, making any additions or eliminations that may be considered requisite, and will then sign and return to the District Forest Officer the approved form of agreement with all the alterations entered and initialled.

III.—The latter will thereupon proceed to execute this on stamped paper of the proper value which will be intimated to him.

IV.—After the draft of a contract agreement has been approved of by the Conservator, no alteration in the sense, bearing or value of any clause or term in the document is on any pretence to be made by the District Forest Officer without reference, but the sanctioned draft is to be copied word for word. Of course where clerical errors may be found, they can be rectified.

V.—After the agreement has been executed, an attested verbatim copy will be forwarded to the Conservator, with a report pointing out the clerical errors, if any, in the original draft that may have been rectified in the legal instrument.

VI.—In order that the Conservator may take legal opinion as to the terms in which a contract should be drawn up, it will be necessary for the drafts to reach his office at least 15 days before the date upon which it is proposed to sign and execute the agreement.

VII.—When the Conservator conveys by letter his approval to a recommendation from the District Forest Officer that a certain specified work should be undertaken by contract, it does not follow that the latter is thereupon to enter into a stamped agreement; the approval extends only to the agency by which the operation is to be performed, and the draft of agreement has still to be submitted for sanction.

VIII.—The deposit money lodged by a contractor is in no instance to be returned until the contractor has been supplied with a completion certificate, and the orders of the Conservator obtained directing the return of the deposit.

Every Forest Officer will acknowledge the receipt of this circular and will report that he has made himself acquainted with the orders herein contained, and has placed them on record both in English and Maráthi Daftar."

(G. R. No. 4397, dated 1st August 1876.)

5. Copies of any notifications which may be issued by the Local Government under the Resolution of the Government of India, Home Department, No. 23—1411-23,* dated 15th October 1878, prescribing the extent to and limits within which contracts and other instruments in matters connected with the administration of forests and with the business of the Forest Department generally may be executed by Forest Officers, should be forwarded to the Government of India in the Department of Revenue, Agriculture and Commerce, Forests, for information. (G. I., R., A. & C., No. 64-F., dated 7th November 1878; *vide* G. R. No. 5978, dated 20th idem.)

* Printed at page 449 of the Compilation of General Rules.

6. When palpable frauds are committed, the officials who afford facilities for their perpetration by disobedience of orders or negligence in the performance of their duty should be dismissed. Government cannot with propriety continue to employ them even on reduced salaries. When frauds are committed or losses sustained by Government in connection with contracts, &c., a full and detailed departmental enquiry should be promptly instituted by the Divisional Forest Officer and a report submitted to Government. (G. R. No. 8146, dated 7th October 1885.)

7. The duty of preparing contracts or agreements should not be entrusted to or performed by ignorant kárkuns and illiterate clerks. The Conservators of Forests should in consultation with the Remembrancer of Legal Affairs prepare draft forms of the various kinds of contracts or agreements ordinarily entered into, and these forms should be strictly adhered to with such minor variations as the circumstances of each individual case may render necessary. (In future, full publicity should be given to all contracts intended to be granted, tenders

called for, and the tenders forwarded to the Conservator of Forests for consideration and orders.' (G. R. No. 8146, dated 7th October 1885.)

8. In notices calling for tenders it should be specified that all earnest money received will be forfeited if on the acceptance of the tender the tenderer fails from any cause to fulfil the contract. (G. R. No. 4309, dated 14th June 1889.)

9. The power of cancelling contracts is exercised by Conservators only in pursuance of conditions contained in the contracts themselves, and so far as this is the case, it is not necessary or desirable that their discretion should be hampered or their power curtailed. (G. R. No. 8178, dated 8th November 1893.)

10. No contract entered into by a Forest Officer subordinate to a Conservator of Forests is valid and binding on the Government, unless it is within the authority conferred on such subordinate by or under Government Notification* No. 608, dated 4th February 1879, published in the *Bombay Government Gazette* for 1879, Part I, page 94. That Notification and the Statute (33 and 34 Vic., c. 59, s. 2), under which this Government was empowered by the Governor General in Council to issue it, are a law with which every Forest Officer and every contractor who has dealings with the Forest Department must be held to be acquainted, and Government may safely repudiate responsibility under any contract not executed in strict conformity with the notification. (L. R. No. 1710, dated 14th October 1891; *vide* G. R. No. 7347, dated 28th idem.)

* Printed at page 451 of the Compilation of General Rules.